

HOUSE BILL No. 1491

DIGEST OF INTRODUCED BILL

Citations Affected: IC 21-3-1.7-9.1.

Synopsis: School corporation borrowing costs paid by state. Requires the state to pay the costs incurred by a school corporation if a delay in the payment of tuition support causes the school corporation to borrow money.

Effective: July 1, 2003.

Heim, Koch, Austin, Reske

January 15, 2003, read first time and referred to Committee on Ways and Means.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1491

A BILL FOR AN ACT to amend the Indiana Code concerning education and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 21-3-1.7-9.1 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2003]: **Sec. 9.1. (a) As used in this section,**
4 **"working day" means a day other than a Saturday, a Sunday, or**
5 **a state holiday.**

6 **(b) Distributions of tuition support shall be made to school**
7 **corporations on the first working day of each month. Distributions**
8 **shall be made in installments representing approximately**
9 **one-twelfth (1/12) of the total calendar year distribution for tuition**
10 **support.**

11 **(c) If, because of action or inaction by the state:**

12 **(1) a distribution is made later than the first working day of**
13 **the month; and**

14 **(2) a school corporation must borrow money to cover costs**
15 **due to the delay in payment;**

16 **the state shall reimburse the school corporation for all costs**
17 **incurred in borrowing the money, including interest, attorney's**



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- 1 fees, and any other costs related to the borrowing.
2 (d) An amount sufficient to cover the costs incurred by school
3 corporations under this section is annually appropriated from the
4 state general fund to the department of education to reimburse
5 school corporations under this section.

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